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June 21, 2005

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HAND DELIVERED

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
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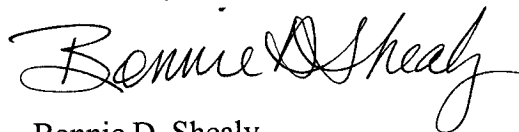
**Re: DELTEL, INC. - Docket No. 2004-358-C
Our File No. 04168-0001**

Dear Mr. Terreni:

Enclosed for filing please find DELTEL, Inc.'s motion to supplement the record. This motion requests permission to supplement the record of the hearing on June 2, 2005, to provide additional information concerning DELTEL's position that it is not proposing to offer local exchange services. The Office of Regulatory Staff has consented to the motion and agrees with DELTEL's position that it is not required to obtain authority to offer local exchange services in order to provide the services described during the hearing on this matter. By copy of this letter we are serving the same on the Office of Regulatory Staff. Please stamp the extra copy provided as proof of filing and return it with our courier. If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

/bds

Enclosure

cc/enc:

- ✓Dan F. Arnett, ORS Chief of Staff (via email & U.S. Mail)
- F. David Butler, Senior Counsel and Hearing Examiner (via email & U.S. Mail)
- Benjamin Mustian, Esquire (via email & U.S. Mail)
- Patrick D. Crocker, Esquire (via email)
- Mr. Robert G. Huff (via email)
- Ms. Daphne Werts (via email)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2004-358-C

IN THE MATTER OF:

THE APPLICATION OF)	
DELTEL, INC. CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	
TRANSACT THE BUSINESS OF A RESELLER OF)	DELTEL, INC.'S
INTEREXCHANGE TELECOMMUNICATIONS)	MOTION TO SUPPLEMENT
SERVICES FOR APPROVAL OF ITS INITIAL)	RECORD
TARIFF AND FOR MODIFIED ALTERNATIVE)	
REGULATION)	
_____)	

DELTEL, Inc. ("DELTEL") moves pursuant to 26 S.C. Regs. 103-840 to supplement the record of the hearing held on June 2, 2005, to provide additional information concerning DELTEL's position that it is not proposing to offer local exchange services. In support of this motion, DELTEL would show the following:

1. The Commission has requested comments as to why DELTEL seeks only authority to provide interexchange telecommunications services when the company has included certain vertical features within the offering which have traditionally been offered by local carriers. The request concerns both legal and factual issues. Attached as exhibit 1 is the Affidavit of Robert G. Huff which provides additional facts for the Commission's consideration. We respectfully request that the Commission allow DELTEL to supplement its record by including Mr. Huff's affidavit as a late filed hearing exhibit in this proceeding.

2. As Mr. Huff explains, DELTEL offers an enhanced services software package which contains numerous features including those which the Commission notes are also offered by local exchange carriers. DELTEL customers cannot obtain the package of features unless it has

already obtained local exchange service from a local exchange carrier. DELTEL does not provide local exchange service, a dial tone, access to emergency services or a directory listing for its customers.

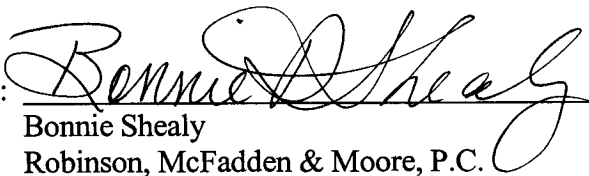
3. The Commission has not granted local exchange carriers an exclusive right to offer call waiting, call forwarding, or caller identification. These features do not fit within South Carolina's statutory definition of "basic local exchange service." S.C. Code Section 58-9-10(9) provides that "basic local exchange service" means "access to basic voice grade local service with touch-tone, access to available emergency services and directory assistance, the capability to access interconnecting carriers, relay services, access to operator services, and one annual local directory listing." DELTEL is not proposing to offer local exchange service. In order to subscribe to DELTEL's service the customer must first obtain basic local service from a local exchange carrier.

4. The PBNNext system offered by DELTEL would be more correctly characterized as an enhanced service offering. "Enhanced services" are defined as "services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information." 47 C.F.R. § 64.702(a). Examples of services the FCC has treated as "enhanced include, among other things, voice mail, electronic mail, electronic store-and-forward, fax store-and-forward, data processing, and gateways to online databases." *In the Matter of Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services*, FCC Docket 98-10, 13 FCCR 6040, & 1 (Jan. 30, 1998). As outlined in Mr. Huff's affidavit, DELTEL's system includes many of these same features which clearly are enhanced service offerings.

Based on the legal and factual information, DELTEL respectfully requests that the Commission grant its request to supplement the record in this proceeding and grant the company interexchange authority to provide the services described in the hearing on this matter, this motion, and Mr. Huff's affidavit.

Dated this 21ST day of June, 2005.

Robinson McFadden & Moore, P.C.

By: 
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We consent to the motion and agree with DELTEL's position that the Applicant is not required to obtain authority to offer local exchange services in order to provide the vertical services included in this service offering.

Office of Regulatory Staff

By: 

Ben Mustian
1441 Main Street, 3rd Floor
Post Office Box 11263
Columbia, South Carolina 29211
Telephone: (803) 737-0886

**BEFORE THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2004-358-C

IN THE MATTER OF:

THE APPLICATION OF)	
DELTEL, INC. CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	
TRANSACT THE BUSINESS OF A RESELLER OF)	AFFIDAVIT OF
INTEREXCHANGE TELECOMMUNICATIONS)	ROBERT G. HUFF
SERVICES FOR APPROVAL OF ITS INITIAL)	
TARIFF AND FOR MODIFIED ALTERNATIVE)	
REGULATION)	

ROBERT G. HUFF, being duly sworn, deposes and says

1. I am Robert G. Huff, the Vice President of Operations of DELTEL, INC. I am the same person who testified in the hearing held on June 2, 2005, before David Butler, Esquire, the Hearing Examiner for the Public Service Commission of South Carolina ("Commission").

2. The purpose of my affidavit is to respond to the request by the Commission for further comments on why we are only asking for authority to resell intrastate interexchange telecommunications services when we have included certain vertical services within our tariffed offering which have traditionally been offered by local carriers.


3. DELTEL's PBNext system is a software based enhanced services system which provides a package of advanced features including PC-based call manager, auto-attendant, web-based control panel, company directory, phone based voicemail, web based voicemail, web-based address book, multi-user extensions, voicemail forwarding, fax support, three way calling, conference calling, multiple calls waiting, call waiting, caller identification, call waiting

identification, interactive hold music, follow-me rules, toll free number, professionally recorded greetings, and call screening. In addition to this package of enhanced services, the PBNext system provides interexchange telecommunications services. A customer cannot subscribe to receive only one feature of the system. The customer must have a separate local exchange carrier in order to use the PBNext system. We do not provide a local dial tone, basic local service, access to emergency services, or make arrangements for a local directory listing.


4. The system is connected to a server-based control center. The enhanced services use computer processing applications that act on the format or protocol of the customer's transmitted information to the server and give the customer the ability to interact with stored information. When an incoming call is placed to a DELTEL customer, the call is transported to a PBNext server by DELTEL's underlying long distance carrier. The server plays the menu greeting and walks the customer through the menu selection. The server then locates the appropriate route for the call to take which includes "follow-me" features which may direct the call to the DELTEL customer's cell phone, home, or office. The PBNext server alerts the DELTEL customer that it has an incoming call over the telephone or on the DELTEL customer's computer. The call is accepted or is sent to voicemail. If the call is accepted, the PBNext server connects the caller to the DELTEL customer by making a phone call to the DELTEL customer and bridging the call with the caller. DELTEL customers make outgoing telephone calls by hitting the instant dial button on their computer and entering a telephone number. The PBNext server calls the DELTEL customer and the server then calls the terminating call number. The PBNext server then bridges the two calls together. The underlying long distance carrier carries the bridged calls between the originating and terminating points. It is the company's position that the enhanced services package is not a local service offering.

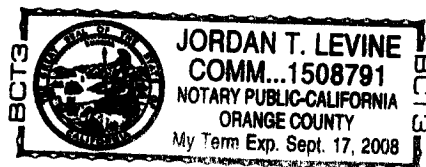
5. As I testified, DELTEL is currently certificated in thirty-two states and the District of Columbia as an interexchange carrier. DELTEL is offering this same package of services in all thirty-two states. None of the states have required DELTEL to obtain local exchange carrier authority in order to provide the service.

Further affiant sayeth not.


Robert G. Huff

SWORN TO before me this
20 Day of June, 2005.


Notary Public for
My Commission Expires: Sept 17 2008



**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2004-358-C**

In The Matter of:)

)
The Application of DELTEL, INC.)
Certificate of Public Convenience &)
Necessity to Transact the Business)
of a Reseller of Interexchange)
Telecommunications Services for)
Approval of its Initial Tariff and for)
Modified Alternative Regulation)

CERTIFICATE OF SERVICE

This is to certify that I, Toni Hawkins, a paralegal with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the persons named below Deltel, Inc.'s **Motion to Supplement the Record** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Dan F. Arnett, Chief of Staff
Benjamin Mustian
Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, South Carolina 29201

F. David Butler, Senior Counsel
Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

Dated at Columbia, South Carolina this 21st day of June, 2005.



Toni Hawkins